

DOCKET NO. 96-212-W - ORDER NO. 98-541

IN RE: Application of Upstate Heater Utilities, Inc.) ORDER DENYING
 for Approval of a Transfer of its Water Utility) REQUEST FOR
 to South Carolina Water and Sewer, L.L.C.) HEARING

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Chester G. Kapp for a public hearing in the matter of the sale of stock of Upstate Heater Utilities, Inc. (Upstate Heater) to Utilities of South Carolina, Inc. (the Company). Kapp states his belief that a hearing should be scheduled in accordance with our Regulation 103-704. Kapp also encloses a Petition and other letters to support his position. The Consumer Advocate for the State of South Carolina has also filed a letter endorsing Kapp's position.

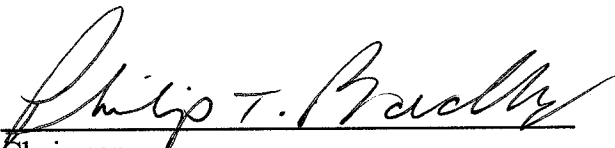
We note that Regulation 103-704 pertains to the acquisition of “a utility system,” i.e. the assets of a system, not to the purchase or acquisition of the stock of the utility which owns or operates the system. In our view, there are no known statutes or regulations which directly authorize the Commission to undertake the kind of proceeding which Mr. Kapp requests. The request for a public hearing is therefore denied. Further, the accompanying request for Kapp’s letter to be his Petition to Intervene in the matter is therefore moot, in light of our decision above.

JULY 15, 1998

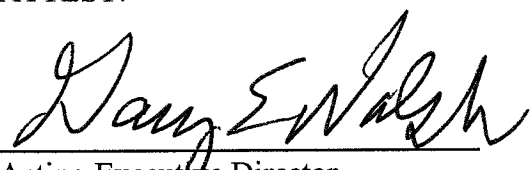
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This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Acting Executive Director

(SEAL)